



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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## INSPECTION REPORT

Partial XXX Complete      Exploration     

Inspection Date: 10/11/2002 / Time: 8:30-9:20 AM

Date of Last Inspection: 09/06/2002

Mine Name: Horizon Mine County: Carbon Permit Number: C/007/020

Permittee and/or Operator's Name: Lodestar Energy, Inc.

Business Address: HC 35 Box 370, Helper, Utah 84526

Company Official(s): Mr. Kit Pappas, Engineering Dept.

State Official(s): Peter Hess Federal Official(s): None

Weather Conditions: High stratified clouds / fifties, Fahrenheit / 30% chance of showers

Type of Mining Activity: Underground XXX Surface      Prep Plant      Other     

Existing Acreage: Permitted 711 Disturbed 9 Regraded      Seeded     

Status: Active

### REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- Substantiate the elements on this inspection by checking the appropriate performance standard.
  - For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
  - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. SIGNS AND MARKERS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. NONCOAL WASTE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 <sup>th</sup> Quarter- April, May, June)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**INSPECTION REPORT**  
(Continuation Sheet)

PERMIT NUMBER: C/007/020

DATE OF INSPECTION: 10/11/2002

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

Note: The permittee has initiated the extraction of machinery and mining related apparatus from the Horizon Mine. To date, one continuous miner and one shuttle car have left the property, for storage at a site in Colorado. As observed this day, another shuttle car was being loaded, with a third sitting on the side to be loaded for transport. Conveyor belt support structure and rolled belt material were also observed stored on the surface.

It is the Division's understanding that Lodestar's Safety Department has discussed the viability of installing chain link fence over the mine's portals with the U.S. Department of Labor, Mine Safety and Health Administration. This would allow the permittee to shut off the mine's ventilation, which would thereby require the de-watering system to be shut down. MSHA is presently evaluating this proposal. According to Mr. Miller, the ventilation system would be started every ninety days such that an examination of the Mine could be made. As water levels increase in the mine, ventilation doors would be opened and locked to allow the mine's air courses to continue to be ventilated. Thus, as water roofs out in the mine, ventilation could be re-initiated in the workings without stalling the fan. The permittee has indicated that there are two interested parties evaluating the Horizon site. As such, they would like to maintain the site in a fashion that would expedite a re-initiation of production.

**4A. HYDROLOGIC BALANCE: DIVERSIONS**

A short length of large diameter power conductor was observed in the disturbed area diversion designated as DD-1H. This cable was removed from the ditch during the course of the inspection.

**4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS**

The site received eight inches of snow during the week of September 29. All snow at the site has since melted, reporting to the sediment pond. The water elevation in the pond remains well below the primary discharge elevation. There were no problems noted with the incised impoundment this day.

**4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES**

The permittee needs to install one straw bale at the confluence of ditch DD-2 and DD-1D.

**4D. HYDROLOGIC BALANCE: WATER MONITORING**

Mr. Pappas informed the Division this day that he has completed the fourth quarter 2002 surface and ground water monitoring requirements for the Horizon Mine.

The permittee continues to de-water the mine. The flow rate being discharged averages about 300 GPM. As observed this day, Jewkes Creek above the site was flowing, although the flow appeared to be less than 5 GPM.

**4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS**

The water discharging from the undisturbed bypass culvert designated as UC-1 into lower Jewkes Creek was clear, and appeared to be of very high quality.

**INSPECTION REPORT**  
(Continuation Sheet)

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**5. EXPLOSIVES**

The areas of the R645 rules which require permittees to notify residents within ½ mile of a permit area in order to request a pre-blast survey or ½ mile of a blasting area for shots conducted relative to underground coal mining were discussed with the permittee this day. The Lodestar Energy, Whiskey Creek surface mine, was one of the three mines evaluated by the DOGM / OSM Evaluation Team for blasting procedure compliance. This occurred on April 10, 2002, approximately five weeks after the initiation of surface blasting at the Whiskey Creek site. An evaluation of the two other mines revealed that neither of those permittees was able to produce verification of the written notifications that are required by rules R645-301-524.2310 and 524.430. Therefore, the rules and an interpretation that it is necessary for the permittees to maintain copies of the letters to residents and local governments was discussed with Mr. Pappas (and Mr. Dave Miller on 10/15/2002). Should the permittee desire to send the notifications via U.S. Postal Service "return receipt requested" processes, the green return receipt would also be considered as adequate verification of the notification process.


**15. CESSATION OF OPERATIONS**

The permittee has indicated that two potential buyers have expressed an interest in the site. To date, no "Notice of Temporary Cessation" has been issued by the permittee to the Division.

**16B. ROADS: DRAINAGE CONTROLS**

As noted above the site received snow recently, although all of that precipitation has melted. The surface drainage system functioned as designed. As evidenced by the deep cutting of some of those ditches, including ditches along the County road, all ditches within the disturbed area should be evaluated and redefined if necessary.

Inspector's Signature: \_\_\_\_\_

  
Peter Hess #46

Date: October 15, 2002

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM  
David Miller, Lodestar  
Price Field office

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